

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: W.R. GRACE & CO., et al., Debtors.	§ § § § § §	Chapter 11 Jointly Administered Case No. 01-01139 (KJC)
--	--	--

**FEE AUDITOR'S FINAL REPORT REGARDING FIRST AND FINAL
APPLICATION OF DELOITTE CONSULTING LLP FOR ALLOWANCE AND
APPROVAL OF COMPENSATION AND EXPENSE REIMBURSEMENT
FOR THE PERIOD FROM JULY 1, 2004 THROUGH SEPTEMBER 30, 2004**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the First and Final Application of Deloitte Consulting LLP for Final Allowance and Approval of Compensation and Expense Reimbursement for the Period from July 1, 2004 through September 30, 2004 (the "Application").

BACKGROUND

1. Deloitte Consulting LLP ("Deloitte Consulting") was retained to provide executive compensation advisory services to the Debtors and Debtors-in-Possession. In the Application, Deloitte Consulting seeks final approval of fees totaling \$12,239.00 and expenses totaling \$12.00 for its services from July 1, 2004 through September 30, 2004 (the "Final Application Period"). Deloitte Consulting was retained by order of the Court dated September 27, 2004, *nunc pro tunc* to July 1, 2004. This is the first and only fee application which Deloitte Consulting has filed in the case.

2. In conducting this audit and reaching the conclusions and recommendations contained

herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2014, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. §330, Issued January 30, 1996 (the "U.S. Trustee Guidelines"), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals.

DISCUSSION

Final Application Period

3. We note that Deloitte Consulting billed \$5,950.00 in fees for fee application preparation, which computes to 48.6% of its total fee request. Although the Court has not set a defined limit on fees for fee application preparation in this case, such fees must still be reasonable under Section 330 of the Bankruptcy Code. A number of courts have established 5% of the total fees billed as a guideline for reasonableness of such fees. However, upon examination of the time entries in question, we noted that all of the time pertained to the fee applications of Deloitte & Touche, not Deloitte Consulting. Thus, we have no objection to these fees.¹

4. We had no other issues with, or objections to, Deloitte Consulting's fees and expenses for the Final Application Period, and thus we did not send an initial report to Deloitte Consulting.

¹When we added these fees to the rest of the fee application preparation fees billed in Deloitte & Touche's final application, it computed to only 2.6% of Deloitte & Touche's total fees.

CONCLUSION

5. Thus, we recommend final approval of \$12,239.00 in fees and \$12.00 in expenses for Deloitte Consulting's services for the Final Application Period.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.



By: _____

Warren H. Smith
Texas State Bar No. 18757050

2235 Ridge Road, Suite 105
Rockwall, Texas 75087
214-698-3868
214-722-0081 (fax)
whsmith@whsmithlaw.com

FEE AUDITOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 1st day of October, 2014.



Warren H. Smith

SERVICE LIST

Notice Parties

The Applicant

Jared Gordon, Director
Deloitte Tax LLP
1700 Market Street
Philadelphia, PA 19103

Anthony Scoles
Assistant General Counsel
Deloitte LLP
30 Rockefeller Plaza
New York, NY 10112-0015

The Debtors

Richard Finke
Assistant General Counsel
W.R. Grace & Co.
7500 Grace Drive
Columbia, MD 21044

United States Trustee

Richard Schepacarter
Office of the United States Trustee
844 King Street, Lockbox 35, Room 2207
Wilmington, DE 19801

Counsel for the Debtors

John Donley
Adam Paul
Kirkland & Ellis LLP
300 North LaSalle Street
Chicago, IL 60654

Laura Davis Jones, Esq.
James E. O'Neill
Pachulski Stang Ziehl & Jones LLP
919 North Market Street, 17th Floor
P.O. Box 8705
Wilmington, DE 19899-8705

Counsel to the Official Committee of Unsecured Creditors

Denise Wildes
Stroock & Stroock & Lavan
180 Maiden Lane
New York, NY 10038-4982

Michael R. Lastowski
Duane Morris LLP
222 Delaware Avenue, Suite 1600
Wilmington, DE 19801

Counsel to the Official Committee of Property Damage Claimants

Scott L. Baena
Jay Sakalo
Bilzin, Sumberg, Baena, Price & Axelrod
1450 Brickell Avenue, Suite 2300
Miami, FL 33131

Michael B. Joseph
Theodore J. Tacconelli
Lisa Coggins
Ferry & Joseph, P.A.
824 Market Street, Suite 904
Wilmington, DE 19801

Counsel to the Official Committee of Personal Injury Claimants

Elihu Inselbuch
Rita Tobin
Caplin & Drysdale
600 Lexington Avenue, 21st Floor
New York, NY 10022-6000

Marla R. Eskin
Mark Hurford
Kathleen Campbell Davis
Campbell & Levine, LLC
222 Delaware Avenue, Suite 1620
Wilmington, DE 19801

Counsel to the Official Committee of Equity

Holders

Philip Bentley

David E. Blabey, Jr.

Kramer Levin Naftalis & Frankel

1177 Avenue of the Americas

New York, NY 10036

Teresa K.D. Currier

Saul Ewing LLP

222 Delaware Avenue

P.O. Box 1266

Wilmington, DE 19899